

BUSINESS OPPORTUNITY

Hunting Guide Services

LAKE CLARK NATIONAL PARK AND PRESERVE

National Park Service

Alaska Region

Concession Contract No. CC-LACL90x-16

TABLE OF CONTENTS

INTRODUCTION	3
Concession Opportunity	6
Necessary and Appropriate Determination	6
Concession Operations	6
Qualification Requirements	7
Guide Areas	7
Required Services.....	8
Authorized Services	8
Facilities	8
FINANCIAL INFORMATION	8
Concessioner Financial Projections.....	8
Utilization and Operating Data	8
Rates.....	9
Required Investment Summary	9
Franchise Fee.....	9
TERM AND EFFECTIVE DATE OF DRAFT CONTRACT	9
PREFERRED OFFEROR DETERMINATION	9
MINIMUM WAGE	10
LAW, REGULATION, AND POLICY	10



INTRODUCTION

The National Park Service ("Service") intends to award up to three concession contracts for hunting guide services within Lake Clark National Preserve (Preserve). This Prospectus describes in general terms the existing business operations and the future business opportunities for services required by the National Park Service (Service). Offerors should review all sections of this Prospectus and specifically, the terms and conditions of the Draft Concession Contract, CC-LACL90x-16 ("Draft Contract"), including its exhibits, to determine the full scope of a future concessioner's responsibilities under the Draft Contract.

The Service is conducting this solicitation in accordance with the National Park Service Concessions Management Improvement Act of 1998 (P.L. 105-391), as implemented by regulations in 36 CFR Part 51. The term "Concessioner" as used in this Prospectus refers to the entity that will be awarded one of the three available concession contracts CC-LACL90x-16. The term "Existing Concessioner" refers to all entities currently holding a valid concession contract to provide hunting guide services within Lake Clark National Preserve.

In the event of any inconsistency between the terms of this Prospectus and 36 CFR Part 51, 36 CFR Part 51 will control. In the event of any inconsistency between the description of the terms contained in this Prospectus and the Draft Contract, the attached Draft Contract will control.

The National Park Service and Its Mission

In 1916, President Woodrow Wilson approved legislation creating the Service within the Department of the Interior. That legislation mandated that Congress created America's National Park Service to:

...conserve the scenery and the natural and historic objects and the wild life therein and to provide for the enjoyment of the same in such a manner and by such means as will leave them unimpaired for the enjoyment of future generations.
54 U.S.C. § 100101 (a)

Additionally, Congress declared that the National Park System should be:

...preserved and managed for the benefit and inspiration of all the people of the United States.... 54 U.S.C. § 100101 (b)

The Service has as its overall mission the preservation and public enjoyment of significant aspects of the nation's natural and cultural heritage. To learn more about the National Park Service, visit www.nps.gov. This site includes information about the Service's mission, policies, and information on individual park units.

Lake Clark National Park & Preserve

Established first as a National Monument in 1978 and then as a National Park and Preserve in 1980, Lake Clark National Park and Preserve is one of the nation's largest Park Service units. The overall management of Lake Clark National Park and Preserve emanates from the 1916 Organic Act that created the National Park Service to:



"...promote and regulate the use of the Federal areas known as national parks, monuments, and reservations...to conserve the scenery and the natural and historic objects and the wild life therein and to provide for the enjoyment of the same in such manner and by such means as will leave them unimpaired for the enjoyment of future generations. "

The purpose of Lake Clark National Park and Preserve is to protect a region of dynamic geologic and ecological processes that create scenic mountain landscapes, unaltered watersheds supporting Bristol Bay red salmon, and habitats for wilderness dependent populations of fish and wildlife, vital to 10,000 years of human history.

Section 201 of the Alaska National Interest Lands Conservation Act (ANILCA, 1980) states that the park shall be managed for the following purposes, among others:

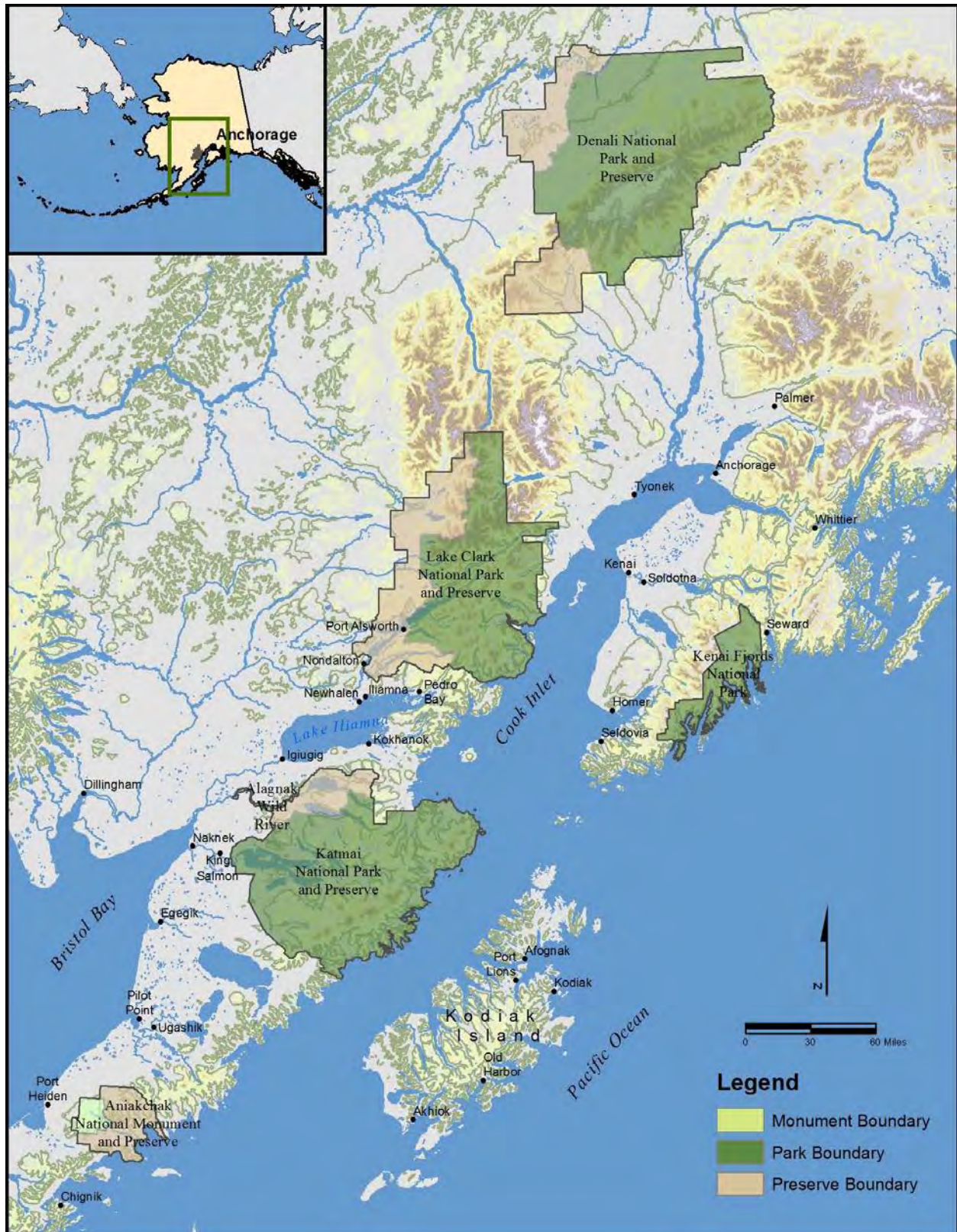
- to protect the watershed necessary for perpetuation of the red salmon fishery in Bristol Bay;
- to maintain unimpaired the scenic beauty and quality of portions of the Alaska Range and the Aleutian Range, including active volcanoes, glaciers, wild rivers, lakes, waterfalls, and alpine meadows in their natural state;
- to protect habitat for and populations of fish and wildlife including but not limited to caribou, Dall's sheep, brown/grizzly bears, bald eagles, and peregrine falcons.
- Subsistence uses shall be permitted in the park where such uses are traditional.

SIGNIFICANCE STATEMENTS (Foundation Statement)

- Lake Clark National Park and Preserve protects extraordinary mountain landscapes dominated by two active volcanoes and cradles a system of turquoise-hued lakes and free-flowing rivers that epitomize Alaska's scenic beauty.
- Lake Clark National Park and Preserve protects a complex mosaic of landforms and ecosystems that continue to evolve from dynamic tectonic, volcanic, glacial, and climatic processes.
- Lake Clark National Park and Preserve protects critical spawning and rearing habitat at the headwaters of the world's most productive red (sockeye) salmon fishery.
- Lake Clark National Park and Preserve protects vast, undisturbed landscapes of coastal areas, mountain ranges, tundra, foothills, and lake regions that support a full complement of fish and wildlife species.
- Lake Clark National Park and Preserve protects a tapestry of cultural places woven from 10,000 years of human occupancy that is vital to the cultural and spiritual continuance of the Dena'ina culture.
- Lake Clark National Park and Preserve protects resources and provides opportunities for local rural residents to engage in the harvesting activities necessary to support a subsistence way of life.
- Lake Clark National Park and Preserve manages one of the largest wilderness areas in the United States providing visitors with superlative opportunities for solitude and self-reliance.

Offerors can find additional information about the Park on the National Park Service website at <http://www.nps.gov/lacl/index.htm>.





Concession Opportunity

The Service is seeking up to three (3) qualified concessioners to provide guided hunting services within the Preserve. These three concessioners will be authorized to operate within three separate and mutually exclusive guide areas within the Preserve. Guided hunting services will be authorized for legally hunted big game species as defined by State of Alaska hunting regulations, unless further restricted by applicable the concession contract or other closure actions. Hunting guide services in Alaska Preserves are subject to and are provided for in accordance with, Alaska Statutes Title 8 (AS 08.54) governing guide eligibility and licensing, and regulations at 12 AAC.

An Offeror may apply for one (1), or two (2), of the three (3) NPS designated guide areas. In order to provide a range of hunting guide opportunities, concession contracts will be awarded to up to three (3) qualified offerors based on an evaluation of proposals received. Due to the similarities in the operating plans and financial aspects of each guide area, a single proposal may be used to apply for multiple guide areas. Offerors must identify the guide area(s) they are applying for in the proposal, and indicate their preferred guide area. An Offeror with the best proposal, which has applied for two guide areas, may be awarded the two guide areas although, the Service reserves the right to award up to three separate contracts based on the best proposal received and the stated preferred guide areas within the proposal areas to provide the best opportunity for concessioners, and utilization of Preserve resources.

Necessary and Appropriate Determination

Under ANILCA Sections 203 and 1313 and the implementing regulations of 36 CFR Part 13.40(d), general season hunting is authorized in National Preserves. Alaska hunting regulations, set by the Alaska Board of Game, require non-resident sport hunters to either use the services of licensed hunting guides or to hunt with an Alaska resident who is a close relative. Non-resident aliens must be accompanied by a state licensed guide. Referencing the aforementioned public laws and regulations, the Lake Clark National Park & Preserve General Management Plan dated January 1, 2014 determined hunting guide services administered through concession contracts to be a necessary and appropriate means to provide hunting opportunities to visitors who are not Alaska residents.

Concession Operations

Two of the three NPS designated guide areas within the Preserve have active concession operations. These are: Arno Krumm Afield (CC-LACL901-05) and Alaska's River Wild Lodge, LLC (CC-LACL002-05). These concession contracts were effective beginning January 1, 2005, with an original expiration date of December 31, 2014. These contracts are extended to December 31, 2016.

Alaska hunting seasons and bag limits, methods and means are set by the State Board of Game, except to the extent the State's rules conflict with federal law. Enforcement of hunting regulations in the Preserve is accomplished by National Park Service Protection Rangers, in cooperation with the State of Alaska, Department of Public Safety, and Alaska Wildlife Troopers. Enforcement of State of Alaska professional licensing requirements is accomplished by the Occupational Licensing Division of the State of Alaska and the Alaska Wildlife Troopers.

Much of the hunting activity in the Preserve is not guided. Many general season hunters use their own aircraft to access the Preserve, and air taxi operators transport resident and non-resident hunters into the Preserve as well. Subsistence hunting also occurs in the Preserve. ANILCA



authorizes subsistence use in the Preserve in accordance with the provisions of Title VIII. Subsistence activities are a factor in preserving social and living cultural values of Alaskan rural residents. The Service is seeking qualified concessioners that exhibit knowledge of, and sensitivity to, local subsistence activities and whose concession operation will minimize conflicts with subsistence activities.

Qualification Requirements

The State of Alaska law only authorizes a natural person to obtain a guide license and contract directly with clients when performing hunting guide services. Consequently offerors are limited as follows. If the offeror is an individual (sole proprietorship) that individual must be a registered guide-outfitter in the State of Alaska licensed under AS 08.54.610-635, or be in the process of renewing an existing registered guide-outfitter license by the closing date of the prospectus. If the offeror is a legally recognized entity other than an individual (partnership, corporation or limited liability company [LLC]) the controlling interest in the entity must be held by a registered guide-outfitter in the State of Alaska licensed under AS 08.54.610-635, or be in the process of renewing an existing registered guide-outfitter license by the closing date of the prospectus. The individual or the holder of controlling interest must be certified by the State of Alaska, Department of Commerce to operate in the appropriate game management unit (GMU), and registered in the appropriate State of Alaska Guide Use Area (GUA) (12 AAC 75.230) for the Lake Clark Preserve prior to operating.

Only the registered guide who contracts with clients in accordance with 12 AAC 75.260 and completes and signs the Hunt Record in accordance with Alaska Professional Regulations 12 AAC 75.210 may provide guided hunts within the Lake Clark Preserve. Assistant guides may be employed by the concessioner when appropriately supervised as required by State of Alaska regulation 12 AAC 75.240.

Guide Areas

Stony River Guide Area includes the portion of GMU 19B within the Preserve. Boundaries of the guide area are the exterior preserve boundaries on the north and west, the park/preserve boundary on the east and the GMU 17B boundary within the preserve on the south. The guide area is within the Stony River drainage and its tributaries, including the Telaquana, Necons, and Merrill Rivers.

Mulchatna Guide Area includes the portion of GMU 17B within the Preserve. Boundaries of the guide area are the exterior preserve boundary on the west, GMU 19B boundary on the north, the park/preserve boundary on the east and GMU 9B boundary on the south. The guide area is within the Mulchatna River drainage and its tributaries including the Chilikadrotna River.

Lake Clark Guide Area includes that portion of GMU 9B within the Preserve. The Guide Area extends from the exterior preserve boundary on the south and west, to the GMU 17B boundary on the north, and the park/preserve boundary on the east. The guide area encompasses portions of the Lake Clark and Tazimina lakes basins and includes portions of the Tazimina River and those Preserve lands adjacent to the north bank of the Chulitna River. The Kijik Archaeological District, Kijik Lake, and a half mile corridor along the Kijik River from the outlet of Kijik Lake to the river mouth are excluded from this guide area, as is the area located in ADF&G Universal Coding Unit (UCU) 09BJ000601. Maps of the guide areas can be found in Exhibit G.



Required Services

The Concessioner is required to provide hunting guide services within Lake Clark National Preserve. These services may include any combination of the following. Contract to guide big game hunts; stalking, pursuing, tracking and harvesting big game; packing and salvaging game meat; and field preparation of trophies.

Authorized Services

The Concessioner is authorized to: sell, lease or rent goods when the transaction occurs in Lake Clark National Park and Preserve; use guiding equipment for the benefit of the hunter; or provide camping or hunting equipment or supplies in Lake Clark National Preserve.

Facilities

No Service facilities will be assigned under these contracts.

FINANCIAL INFORMATION

Concessioner Financial Projections

The Proposal Package requires offerors to develop financial projections based on the services required under the Draft Contract. In order to assist offerors in the development of these projections, information regarding historical gross revenue and client numbers are shown in the sections following. Offerors should be appropriately cautious in the use of historical information. The Service will not provide financial predictions. Each offeror must perform its own due diligence, produce its own financial projections and rely on its own financial assumptions.

Utilization and Operating Data

The following table lists historical client numbers for the existing concessioners. Visitor Use Days are calculated by multiplying the number of clients by the number of days in the Preserve.

Table 1 – Client Summary (Three Concessions)

Average Visitor Use Days						
2008	2009	2010	2011	2012	2013	2014
33	42	26	39	59	58	52

Source: National Park Service

The following table lists historical annual gross revenue for the existing concessioners.

Table 2 – Historical Gross Receipts

Contract CONID	2012	2013	2014
LACL002-05	\$19,000	\$18,000	\$6,500
LACL901-05	\$24,000	\$30,000	\$15,000
LACL902-05	vacant	vacant	vacant



Source: National Park Service

The following table lists the franchise fee for the existing concessioners. Concessioners pay a percentage of annual gross receipts or a flat fee, whichever is greater.

Table 3 – Concession Franchise Fee Rates

Contract CONID	Franchise Fee
LACL002-05	4% of gross receipts or \$500, whichever is higher
LACL901-05	3% of gross receipts or \$500, whichever is higher

Source: National Park Service

Rates

Per section 2(d) of the Draft Contract, all rates and charges to the public by the Concessioner for visitor services must be reasonable and appropriate and must be approved by the Director. The Service ensures the concessioner's rates and charges to the public are commensurate with the level of service provided and are reasonable, justified, and comparable with similar services provided by the private sector. The Service judges the reasonableness of rates based upon current concession management guidelines.

Required Investment Summary

There is no real or personal property investment required by the Draft Contract. Offerors must provide the furniture, fixtures, and equipment necessary for administrative support and the equipment necessary to provide the required services. The government will not compensate Concessioners for such property or require any incoming operator to purchase such property.

Franchise Fee

The minimum franchise fee will be equal to three percent (3%) of the Concessioner's annual gross receipts or a flat fee of \$1,000, whichever is higher, for the term of the Contract. However, Offerors may propose a higher minimum franchise fee, as described more fully in the Proposal Package.

Term and Effective Date of Draft Contract

The term of the Draft Contract will be for ten (10) years with an estimated beginning date of January 1, 2017. The effective date of the Draft Contract is subject to change prior to award if determined necessary by the Service. In such an event, the expiration date of the Draft Contract may be changed to continue the same term length from any adjustment to the effective date.

Preferred Offeror Determination

Pursuant to 36 CFR Part 51 Subpart F, and Section 403(7) (B) of P.L. 105-391 (National Park Service Concessions Management Improvement Act) the Service has determined the existing concession contracts are qualified contracts and that the existing concessioners were satisfactory concessioners during the term of their respective concession contract(s). Therefore, the existing concessioners are



Preferred Offerors for the new Contracts. The existing concessioners are Arno Krumm Afield and Alaska's River Wild Lodge, LLC.

Existing Concessioners, and all interested parties, must submit a responsive proposal to this Prospectus to be considered for award of a Contract. Refer to *Proposal Instructions Section 7 Process of Selecting the Best Proposal* for detailed information. If an Existing Concessioner with preferred offeror status submits a responsive proposal and that proposal is not selected as the best proposal, the preferred offeror designation allows the preferred offeror to match the terms of the best offer and be awarded the Contract.

While ANILCA Section 1307(b) provides preference for certain qualified operators, sport fishing and hunting guide activities are excluded from these preferences.

Minimum Wage

The minimum wage for federal contractors established by Executive Order 13658 and 29 CFR Part 10 will apply to the Draft Contract and is included in the analysis of the minimum franchise fee. In estimating the minimum wage requirements of the Draft Contract and their impact on the minimum franchise fee, the Service estimated that the Consumer Price Index for All Urban and Clerical Workers, U.S. City Average ("CPI-W") will increase annually by [2.4%] over the term of the Draft Contract. As stated in 29 CFR Part 10, the actual minimum wage for federal contractors during the term of the Draft Contract will be evaluated each year by the United States Department of Labor based on the annual change in the CPI-W.

Law, Regulation, and Policy

NPS Concessions Law, Regulation, Policy and information about Lake Clark National Park and Preserve can all be accessed via the internet at the following websites. Electronic or hardcopies of the law, regulations and policy will be mailed upon request. Contact the person listed on the cover of the prospectus with your request.

Document or Information	Website
Concessions Management Improvement Act of 1998 (P.L. 105-391)	http://www.concessions.nps.gov/docs/OMNIBUS1998.pdf
NPS Concession Mgmt. Regulations - 36 CFR Part 51	http://ecfr.gpoaccess.gov/cgi/t/text/text-idx?c=ecfr&sid=11cb3fdb5aff553ac92e51f79367133&tpl=/ecfrbrowse/Title36/36cfr51_main_02.tpl
NPS Management Policies, Chapter 10- Commercial Visitor Services	http://www.concessions.nps.gov/docs/MP2006Chapter10.pdf



Document or Information	Website
Lake Clark National Park and Preserve website	http://www.nps.gov/lac
Lake Clark National Park and Preserve Foundation Statement	http://www.nps.gov/lac/learn/management/upload/LACL-Foundation-Statement-Final-101009.pdf
Alaska National Interest Lands Conservation Act	http://www.nps.gov/legal/parklaws/Supp_V/laws1-volume1-anilca.pdf
Superintendent's Compendium	http://www.nps.gov/akso/management/compendiums.cfm

